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CENTRAL INTELLIGENCE AGENCY

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China was receiving Soviet products at 20-30 percent below the American price, and was also getting better prices for its own exports. The following two examples, however, may cast doubt on the accuracy of LIN's statement:

- a. The Central and South China Military and Political Commission has received a number of two-ton lorries, produced at the Molotov factory. These are small four-wheeled vehicles similar to the Japanese type, with a wooden body and a canvas roof to the cab. They function well on level ground, but have practically no hill-climbing capacity. Under the 1950 agreement these trucks were exchanged for 20 tons of beans each. Converted at the prevailing price of JMP 120,000 per picul, this amounts to JMP 53,000,000 or approximately HK \$13,000 per vehicle.
- b. The railway track supplied to Hankow by the USSR under the 1950 agreement was found to cost, after payment of freight charges, JMP 1,000,000 for each steel rail, which is equivalent to HK \$850.

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Comment. [REDACTED] for details regarding Chinese payment for supplies from the USSR, [REDACTED] for information Sino-Soviet trade and shipping.

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